



Preliminary Report on 2003 Earnings

- Net sales for the year amounted to SEK 549 (684) million, down 20 percent year on year.
- Loss after tax for the year amounted to SEK 42 (312) million.
- Earnings per share for the year amounted to SEK -0.11 (-1.75).
- Comparable operating costs for the year amounted to SEK 604 (910) million, a 34 percent decrease. In addition, the company recorded an asset impairment charge for the quarter of SEK 15 million, related to the write-down of goodwill for Enea Epact. As previously announced, the dissolution of a reserve fund for a lease in the United States boosted earnings for the quarter by SEK 26 million.
- Operating profit for the quarter excluding non-comparable items amounted to SEK 1 (-52) million.
- Johan Wall named CEO of Enea Data AB starting March 29

Market

Early in the year, the mood in the global market for investments in real-time operating systems was generally subdued among both existing and potential customers. We saw an increase in business activity over the course of the year, first in the Asian market and at the end of the year in the North American market as well. The European market continued to be cautious throughout the year.

The somewhat overcrowded Swedish consulting market experienced price pressures over the past year. We experienced some improvement in demand during the second half of the year, despite persistent underlying weak economic fundamentals. The feeble North American consulting market showed an encouraging trend during the fourth quarter.

2003 Highlights

At the beginning of the year, the Enea Group carried out its previously approved restructuring and reorganization plan. The restructuring program sharply reduced operating costs to SEK 604 (910) million, substantially improving cash flow from current operations by SEK 78 million to SEK 34 (-111) million.

During the third quarter Enea's new share issue to shareholders was fully subscribed, providing the Group with a cash injection amounting to SEK 81 million after share issue expenses.

The utilization ratio for Swedish consulting businesses gradually improved during the year, albeit in the face of continued tough competition and accompanying price pressures. North American consulting operations were profitable throughout the year, despite continued price pressures. Product operations gradually improved over the course of the year, partly because several older general agreements were renegotiated and partly because the new organization is gradually becoming more efficient.

Fourth Quarter Analysis

Enea ended the year with a strong fourth quarter, with net sales amounting to SEK 167 (165) million and an operating profit of SEK 11 (-158) million. Enea Embedded Technology and Enea Systems both climbed into the black, with an operating profit excluding non-comparable items amounting to SEK 8 million for Enea Embedded Technology and SEK 2 million for Enea Systems. License revenues, which are so important for the business, jumped 30 percent to SEK 54 million

Enea Embedded Technology capitalized development costs for a brand new product line corresponding with SEK 5 million during the quarter. The company posted a charge against earnings for the quarter amounting to SEK 5 million for restructuring costs. During the quarter the company reached an agreement related to a lease in the United States that permitted a reserve of SEK 26 million to be dissolved, with an equivalent improvement posted to income for Enea Embedded Technology.

Enea Systems recorded a charge against earnings for a goodwill write-down amounting to SEK 15 million related to Enea Epact. The write-down is the result of stiff competition and developments in the market in the Linköping area.

The number of employees working for the Group increased by 10 full-time positions during the fourth quarter to 563 (634).

Enea Embedded Technology

Enea Embedded Technology offers product licenses to use the OSE real time operating system integrated with related consultant services. The business primarily targets customers who develop high tech products, with high demands on performance and accessibility. The business is carried out through subsidiaries in Sweden, France, England, Germany, Japan, and the United States.

Enea Embedded Technology finished the year strong with good orders, including crucial deals with Nokia Networks and Boeing. After running a loss during the first three quarters, operating profit excluding items affecting comparability improved to SEK 7.8 (-28.6) million in the fourth quarter, mainly because net sales rose 21 percent year on year, to SEK 93.4 (76.9) million.

Key customers during the fourth quarter include Ericsson, Nokia Networks, Motorola, Agere, Boeing, Abbott Labs, and Arris. License revenues accounted for about 57 percent of revenues during the fourth quarter.

The company had 254 employees on December 31, 2003.

Enea Systems

Enea Systems offers product-independent solutions, consulting services and training to customers with high demands on usability and reliability. Customers are found within technology, telecommunications, automotive industry, defense industry, health care, as well as in the energy and public sectors.

Enea Systems saw a turnaround from heavy losses in 2002, moving into the black with an operating income excluding items affecting comparability of SEK 2.4 (-15.5) million for the quarter and SEK 6.5 (-63.1) million for 2003. The company recorded an asset impairment charge for the quarter of SEK 15 million, related to the write-down of goodwill for Enea Epact and SEK 6.9 million related to restructuring.

Sample of business closed during fourth quarter:

- Contract with Saab Bofors Dynamics concerning systems development, electronics and software development
- Contract with Ericsson related to test of GPRS
- Prolongation of ongoing projects for test and maintenance of Ericsson's 3G-base stations
- Contract win on maintenance and support of product test environment related to Ericsson's GSM-base stations (EDGE)
- Frame agreement signed with Vattenfall Supply & Trading for 2004
- Contract signed with Vattenfall Bränsle concerning development of system for calculation and simulation of nuclear fuel costs
- Agreement signed with AMS related to new purchasing organization
- Contract signed with Djurskyddsmyndigheten concerning order for an Intranet and External Web Site

The company had 288 employees on December 31, 2003.

Parent Company Enea Data AB

The parent company's net sales during the year amounted to SEK 0.0 (0.0) million, with a loss after net financial income of SEK 18.3 (322.0) million.

The parent company's net financial income amounted to SEK 2.2 (79.2) million. Liquid assets and investments amounted to SEK 70.1 (43.3) million at year-end. The parent company's investments amounted to SEK 0.2 (2.5) SEK million.

A total of 19 employees worked for the parent company as of December 31, 2003. Enea Service Enabling Technology had 2 employees as of December 31, 2003.

Investments

The Group's investments during the year amounted to SEK 2.9 (8.4) million.

Cash Flow, Liquidity, and Equity

Cash flow during the fourth quarter amounted to SEK -6.0 (-28.6) million and for the year SEK 40.1 (-27.1) million. Cash flow from current operations amounted to SEK -33.8 (-111.4) million for the year. Liquid assets and investments amounted to SEK 111.9 (73.3) million as of December 31, 2003. Because the Group has no interest-bearing liabilities, cash balance is positive net cash in hand. The equity ratio amounted to 63 (51) percent and liquidity to 201 (123) percent as of December 31, 2003.

Earnings per Share

Earnings per share amounted to SEK -0.11 (-1.75).

Accounting Principles

This preliminary report has been prepared in accordance with the Annual Accounts Act and the Swedish Financial Accounting Standards Council recommendation on interim reporting, RR20. The accounting principles and methods of calculation are the same as those applied in our 2002 annual report. The following new recommendations for 2003 from the Swedish Financial Accounting Standards Council are now in effect:

RR2:00 Inventory Reporting
RR 22 Presentation of Financial Statements
RR 25 Segment Reporting
RR 26 Events After Balance Sheet Date
RR 27 Financial Instruments

The only material effects of these new standards relate to RR 25, Segment Reporting, As a result of RR15, Intangible Assets, we have capitalized development costs equivalent to SEK 5 million during the fourth quarter.

Upcoming Annual General Meeting

At the next Annual General Meeting The Board of Directors intends to make the following recommendations:

- No dividends (previous year: 0:00)
- Renewed authorization to carry out directed new share issues in order to finance acquisitions

The meeting will be held at 6 pm on Tuesday, May 18, 2004, at Täby Park Hotel.

Nominating Committee

The Nominating Committee, which is entrusted with the task of preparing for board member elections at the Annual General Meeting, consists of the following members:

Staffan Ahlberg Chairman of the Board

Thomas Ehlin, Senior Vice President, Corporate Governance Nordea Asset Management

Marianne Nilsson, Deputy Head of Equities, Robur AB

Caroline af Ugglas, Corporate Governance Manager, Skandia Life Asset Management

Suggestions from stockholders concerning board member nominations may be submitted to Staffan Ahlberg, Chairman of the Board, at the company's address Enea Data AB, Box 232, 183 23 Täby.

Calendar

First quarter report: April 30, 2004

Second quarter report: July 30, 2004

Third quarter report: October 29, 2004

Preliminary Report 2004 Earnings: February 4, 2005

Ola Berglund
CEO

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This preliminary report has been subject to a limited review.

Per Bergman

Authorized Public Accountant

Income Statement (SEK million)

	Group			
	Jan-Dec	Jan-Dec	Oct-Dec	Oct-Dec
	2003	2002	2003	2002
License revenues	148.9	198.9	53.6	41.3
Consulting revenues	<u>400.0</u>	<u>485.5</u>	<u>113.5</u>	<u>123.3</u>
Net sales	548.9	684.4	167.1	164.6
Other operating income	<u>23.0</u>	<u>31.3</u>	<u>4.0</u>	<u>8.6</u>
Operating income	571.9	715.7	171.1	173.2
Raw materials and consumables	-49.7	-52.2	-19.9	-17.8
Other external costs	-106.1	-181.0	-30.5	-52.1
Personnel costs	-395.5	-585.4	-103.5	-138.3
Depreciation and amortization	-39.3	-56.1	-9.6	-10.8
Items affecting comparability incl. goodwill write-down*	3.9	-194.0	10.2	-105.6
Other operating costs	-13.1	-34.8	-6.8	-6.1
Operating loss/profit	-27.9	-387.8	11.0	-157.5
<i>Financial income and expenses</i>				
Financial income**	2.3	96.6	0.4	0.5
Financial expenses***	<u>-8.5</u>	<u>-1.1</u>	<u>-0.6</u>	<u>-0.5</u>
Profit/loss before tax	-34.1	-292.3	10.8	-157.5
Tax	<u>-7.7</u>	<u>-19.7</u>	<u>-3.9</u>	<u>3.7</u>
Profit/loss after tax	-41.8	-312.0	6.9	-153.8
Earnings per share, SEK	-0.11	-1.75	0.00	-0.86
Earnings per share after full dilution (Swedish kronor)	-0.11	-1.75	0.00	-0.86

* Including goodwill write-down of SEK 15 (173) million.

** Including capital gains from Combitech sale amounting to SEK 91 million in 2002.

*** Including adjusted supplementary purchase price during 2003 related to Combitech sale in 2002, amounting to SEK -7.2 million.

Balance Sheet (SEK million)

	Group	
	Dec 31	Dec 31
ASSETS	2003	2002
<u>Fixed assets</u>		
Intangible assets	106.8	148.8
Tangible assets	22.2	33.7
Financial fixed assets	<u>0.4</u>	<u>3.6</u>
	129.4	186.1
<u>Current assets</u>		
Current receivables	162.1	172.2
Short-term investments	30.4	0.0
Cash and bank balances	<u>81.6</u>	<u>73.3</u>
	274.1	245.5
TOTAL ASSETS	403.5	431.6
SHAREHOLDERS' EQUITY & LIABILITIES		
Shareholders' equity	253.4	221.3
Provisions	4.1	0.0
Long-term liabilities *)	9.6	11.6
Current liabilities *)	<u>136.4</u>	<u>198.7</u>
TOTAL STOCKHOLDERS' EQUITY & LIABILITIES	403.5	431.6

*) Non interest bearing

Change in Shareholders' Equity (SEK million)

Group

	Jan - Dec 2003	Jan - Dec 2002
At beginning of period	221.3	561.7
New share issue	9.1	0.1
New share issue at premium	71.9	5.0
Non-cash issue	0.2	-
Own shares	0.0	0.1
Change in group structure and other changes	0.8	-
Translation difference for the period	-8.1	-33.6
Profit for the period	-41.8	-312.0
At end of period	253.4	221.3

Cash Flow Statement (SEK million)

Group

	Jan - Dec 2003	Jan - Dec 2002	Oct- Dec 2003	Oct- Dec 2002
Cash flow from current operations before change in working capital	11.7	-201.8	38.7	-126.9
Cash flow from change in working capital	<u>-45.5</u>	<u>90.4</u>	<u>-40.1</u>	<u>98.4</u>
Cash flow from current operations	-33.8	-111.4	-1.4	-28.5
Cash flow from investment activities	-5.0	79.2	-2.6	-0.1
Cash flow from investment activities	<u>78.9</u>	<u>5.1</u>	<u>-2.0</u>	<u>0.0</u>
Cash flow for the period	40.1	-27.1	-6.0	-28.6
Liquid funds at beginning of period	73.3	113.3	120.4	105.7
Exchange rate difference in liquid funds	<u>-1.4</u>	<u>-12.9</u>	<u>-2.4</u>	<u>3.8</u>
Liquid funds at end of period	112.0	73.3	112.0	73.3

Business Segment Report

Primary Segment (SEK M)	Net Sales				Operating Profit/Loss				Profit/Loss After Net Financial Items			
	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Enea Systems*	270.6	402.2	75.7	98.5	-15.3	-101.1	-13.4	-52.4	-20.5	-108.6	-14.4	-54.8
Enea Embedded Technology**	294.5	317.5	93.4	76.9	18.0	-188.1	33.7	-67.0	8.6	-188.1	31.6	-67.0
Parent company, other***	-16.2	-35.3	-2.0	-10.7	-30.6	-98.6	-9.3	-38.1	-22.2	4.4	-6.4	-35.6
Enea Group	548.9	684.4	167.1	164.7	-27.9	-387.8	11.0	-157.5	-34.1	-292.3	-10.8	-157.4

Primary Segment (%)	Operating Margin				Net Margin			
	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.
	2003	2002	2003	2002	2003	2002	2003	2002
Enea Systems	-6	-25	-18	-53	-8	-27	-19	-56
Enea Embedded Technology**	6	-59	36	-87	3	-59	34	-87
Parent company, other***	-190	279	-465	356	-137	-12	-320	333
Enea Group	-5	-57	7	-96	-6	-43	-6	-96

Secondary segment (SEK M)	Net Sales				Operating Profit/Loss				Profit/Loss After Net Financial Items			
	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Nordic Countries	388.9	371.0	121.7	90.7	-74.4	-201.6	-18.3	-88.9	-80.6	-96.7	-18.5	-86.3
Europe	24.1	44.2	4.4	18.1	-8.1	-17.6	-4.3	-9.0	-8.1	-18.8	-4.3	-9.0
North America	125.4	257.5	35.8	53.8	54.0	-164.4	32.2	-57.4	54.0	-172.3	32.2	-60.1
Asia	10.5	11.7	5.2	2.1	0.6	-4.2	1.4	-2.2	0.6	-4.5	1.4	-2.2
Enea Group	548.9	684.4	167.1	164.7	-27.9	-387.8	11.0	-157.5	-34.1	-292.3	-10.8	-157.4

Secondary segment (%)	Operating Margin				Net Margin			
	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.	Jan - Dec	Jan - Dec	Oct.-Dec.	Oct.-Dec.
	2003	2002	2003	2002	2003	2002	2003	2002
Nordic Countries	-19	-54	-15	-98	-21	-26	-15	-95
Europe	-34	-40	-98	-50	-34	-43	-98	-50
North America	43	-64	90	-107	43	-67	90	-112
Asia	6	-36	27	-105	6	-39	27	-105
Enea Group	-5	-57	7	-96	-6	-43	-6	-96

* Includes Enea Systems and Enea Business Software

** Includes Enea Embedded Technology and Enea OSE Participation

*** Includes parent company Enea Data, Enea Epact Technology Holding, and Enea Service Enabling Technology

Period in Summary, Group	Jan - Dec 2003	Jan - Dec 2002
Net sales, (SEK million)	548.9	684.4
Operating income (SEK million)	571.9	715.7
Operating income excluding non-comparable items (SEK million)	-31.8	-193.8
Operating profit (SEK million)	-27.9	-387.8
Profit after financial items (SEK m)	-34.1	-292.3
Operating margin %	-5.1	-56.7
Net margin %	-6.2	-42.7
Stockholders' equity (SEK million)	253.4	221.3
Balance sheet total (SEK million)	403.5	431.6
Capital employed (SEK million)	253.4	221.3
Equity/assets ratio %	63	51
Liquidity %	201	123
Earnings per share before dilution (SEK)	-0.11	-1.75
Earnings per share after full dilution (SEK)	-0.11	-1.75
Equity per share (SEK)	0.70	1.24
Number of outstanding shares at end of period (1,000s)	364,314	178,404
Number of outstanding shares after full dilution (1,000s) *	367,266	178,404
Average number of outstanding shares (1,000s)	256,824	178,289
Average number of shares after full dilution (1,000s) *	259,776	178,289
Share price as per balance sheet date (SEK)	2.30	1.53

* In accordance with decision at the Annual General Meeting, a warrant scheme for Enea TekSci Inc employees was adopted, equivalent to 1,800,000 warrants. Each warrant entitles the holder to subscribe to 1.64 shares at a price of SEK 0.89 per warrant.